



DEPARTMENT OF THE NAVY
SPACE AND NAVAL WARFARE SYSTEMS COMMAND
4301 PACIFIC HIGHWAY
SAN DIEGO, CA 92110-3127

SPAWARINST 12451.2B
00A-HR
14 Mar 03

SPAWAR INSTRUCTION 12451.2B

From: Commander, Space and Naval Warfare Systems Command

Subj: BENEFICIAL SUGGESTIONS AND INVENTION AWARDS FOR CIVILIAN PERSONNEL

Ref: (a) SECNAVINST 12451.3
(b) DoD Directive 1400.25-M, Civilian Personnel Manual, Subchapter 451
(c) 5 CFR 451
(d) DASN Guide No. 451-01, Guidance on Implementing Awards in the DoN

Encl: (1) Procedures for processing official beneficial suggestions submitted by headquarters personnel
(2) Procedures for processing official suggestions referred from other commands/activities
(3) Procedures for processing comments/questions via the Feedback Forum
(4) Scale of Award Amounts Based on Tangible Benefits
(5) Scale of Award Amounts Based on Intangible Benefits
(6) Procedures for processing Invention Incentive Awards

1. Purpose. To provide policy, procedures, and assignment of responsibility for administration of civilian cash awards for beneficial suggestions and inventions. This instruction also establishes policy, procedures, and assignment of responsibility for administration of comments/questions posted on the SPAWAR Knowledge Center (SKC) under Feedback Forum.

2. Cancellation. This instruction cancels SPAWARINST 12451.2A in its entirety.

3. Applicability. This instruction applies to the processing of official beneficial suggestions and inventions awards by Space and Naval Warfare Systems Command (SPAWAR) headquarters and processing of comments/questions via the Feedback Forum. References (a) through (d) authorize SPAWAR activities to establish their own Incentive Awards Programs, which must include suggestions.

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4. Policy. It is SPAWAR policy that:

a. Employees shall be encouraged to contribute their ideas for improvements in technology, processes, systems, methods, etc., which could result in real savings to the government or increased efficiency of operations.

b. Employee contributions, which are submitted in accordance with this instruction, will be processed in a timely manner, evaluated objectively, and given fair consideration prior to acceptance or rejection.

5. Responsibility. The Commander, SPAWAR, provides general direction, and the Head, Human Resources Program Office, Code 00A-HR, has functional responsibility for the overall Incentive Awards Program. Specific responsibilities for suggestions and invention awards are assigned organizationally as follows:

a. Administrator, Incentive Awards Program (Code 00A-HR), the Human Resources Program Office, Employee and Labor Relations Program Manager, is responsible for making award recommendations and for providing guidance and assistance to personnel at all levels within the command concerning this instruction.

b. Deputy Commander, Program Directors and Heads of Directorates and Staff Offices are responsible for ensuring prompt action on any contribution that has been referred to any part of their organization for technical review and evaluation. Exercise of this responsibility requires control and follow-up on the contribution in accordance with the procedures outlined in this instruction.

6. Beneficial Suggestions. Enclosure (1) defines the procedures for processing official beneficial suggestions for headquarters personnel. Enclosure (2) defines the procedures for processing official beneficial suggestions referred from commands or activities external to SPAWAR headquarters, including referrals from SPAWAR activities. Enclosure (3) defines the procedures for processing comments/questions via the Feedback Forum. Enclosures (4) and (5) are the scale award amounts.

a. To be considered for an award, an official beneficial suggestion must:

(1) Identify an improvement in the quality of operations, a cost reduction opportunity or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government;

(2) Be adopted in whole or in part for implementation. The suggestion should identify a specific proposed course of action to achieve the improvement or cost reduction; and

(3) Be based upon tangible or intangible benefits, as provided by enclosures (4) and (5), or a combination thereof.

b. Ideas or suggestions that identify the need for routine maintenance work, recommend enforcement of an existing rule, propose changes in housekeeping practices, call attention to errors or alleged violations of regulations, or result in intangible benefits or "good will" are not eligible for consideration.

c. When a suggestion is adopted by another organization, the benefiting organization shall share in the cost of the total award commensurate with the benefit. The suggester's organization will notify the benefiting organization(s) of the amount due and the benefiting organization(s) shall take prompt action to transfer the funds, references (a), (b), (c), and (d) pertain.

7. Invention Incentive Awards. Invention Incentive Awards are designed to encourage creative thinking and to promote the prompt disclosure of inventions by recognizing and rewarding employees for inventions. Enclosure (6) defines the processing requirements for Invention Incentive Awards.

8. Action. All personnel assigned responsibilities by this instruction will fully discharge those responsibilities, effective immediately.

9. Forms. OPNAV 5305/1 forms, mentioned in enclosure (1), can be obtained from the SPAWAR Knowledge Center (SKC) under HR Programs and Training.

/s/
K. D. SLAGHT

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Distribution:
SPAWAR List 4
SNDL Part II
FKA1B1

PROCEDURES FOR PROCESSING SUGGESTIONS SUBMITTED BY
HEADQUARTERS PERSONNEL

1. Submission. A suggestion must be in writing and signed by the suggester. If a group submits a suggestion, all suggesters must sign the suggestion. Use of form OPNAV 5305/1, DoN Suggestion, is recommended, but not mandatory. Any improvement idea not submitted on the DoN Suggestion form must be identified as a suggestion submitted for possible award. A suggestion may be submitted electronically or by hard copy. If submitted by hard copy, the suggestion should be routed through the supervisory chain to SPAWAR Code 00A-HR, Employee Relations Program Manager. A suggestion, which has not passed through the supervisory chain to Code 00A-HR, will be referred back to the supervisor for a determination as to whether the suggestion is within the normal job requirements of the suggester. The suggester's supervisor must verify, in writing, that the suggestion is outside of the suggester's normal job responsibilities. If submitted electronically, the suggester must submit it to Dan Menzel, SPAWAR Code 00A-HR, via the suggester's supervisor. The suggester's supervisor must verify, in writing, that the suggestion is outside of the suggester's normal job responsibilities.

2. Processing and Evaluation

a. Within ten days of receipt of the suggestion Code 00A-HR will:

- (1) Assign a suggestion number.
- (2) Establish a control record card.
- (3) Provide acknowledgement of receipt to the suggester.
- (4) Enter the suggestion into the tickler file for follow-up to ensure timely evaluation.
- (5) Forward the original suggestion, with the evaluation form (NAVSOP 5305/5) and supplemental guides to the evaluator via the administrative officer.

b. The evaluator will be a recognized subject matter specialist for the particular suggestion. The approving official will be an official who has authority to initiate

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adoption or deny adoption based on knowledge of earlier adoption of a similar suggestion.

c. The evaluator will review the suggestion, complete the evaluation form, make appropriate comments on the form, and return it to Code 00A-HR within 20 workdays after receipt. If additional information is required, the evaluator should contact the suggester or supervisor of the suggester. If it is necessary that the suggestion be routed to another code for comment or coordination, which prevents completion of the evaluation within the 20 workday limit, Code 00A-HR will be informed of the delay. The official evaluation must be done on the evaluation form, not on the route sheet; however, unofficial comments may be made on the route sheet, which also becomes a part of the suggestion file.

d. Action to refer a suggestion, for evaluation or approval, to a field activity, laboratory, contractor or other command will be taken by the assigned evaluator. When this action is taken, Code 00A-HR will be provided a copy of the transmitting correspondence, which shows the suggestion number and name of the suggester. An estimated completion date for the evaluation will also be provided to Code 00A-HR.

e. When the suggestion is not to be considered for adoption, the evaluator will provide specific reasons for rejection on the evaluation form, NAVSO 5305/5. The reasons for non-adoption should be sufficiently definitive so they may be quoted in the response to the suggester without additional comments. Code 00A-HR is responsible for notifying the suggester, in writing, that the suggestion has not been adopted.

f. When the suggestion is to be adopted, the evaluation form, NAVSO 5305/5, will show how and when the suggestion is being implemented, and will provide specific information on the benefits to be derived from use of the suggestion. When feasible, the evaluator may attach correspondence or other documents related to implementation of the suggestion. The entire suggestion file, with evaluation, will be returned to Code 00A-HR. Based upon the written evaluation, Code 00A-HR will make an award recommendation and forward to Code 00A for approval.

g. Commander, SPAWAR or another appropriate official in the chain of command will present individual monetary awards of \$7,500 or more. The Deputy Commander, Program Director, or Head of the Directorate or Staff Office will present cash awards of lesser amounts, with appropriate ceremony.

3. Follow-up. To ensure timely completion of all suggestion evaluations, the following responsibilities and actions are required:

a. The Deputy Commander, Program Directors, and Heads of Directorates and Staff Offices will be responsible for establishing such internal control procedures as may be necessary to ensure timely action by a suggestion evaluator under his/her supervision or management.

b. If, after 30 days from receipt of the suggestion, the evaluation has not been completed, Code 00A-HR will furnish the suggester an interim status report. In the absence of a status report from the evaluator, Code 00A-HR will send to the evaluator via the cognizant Deputy Commander, Program Director, or Head of Directorate or Staff Office, a request for completion of the evaluation, or a status reports. Periodically thereafter, depending upon the particular circumstances of the case, Code 00A-HR will make further follow-ups on the suggestion. If several follow-ups fail to produce an adequate response, the matter may be elevated to Commander, SPAWAR or the Deputy Commander, as appropriate.

**PROCEDURES FOR PROCESSING SUGGESTIONS REFERRED FROM OTHER
COMMANDS/ACTIVITIES**

1. Referral Suggestions are usually referred to SPAWAR headquarters for one of two purposes. One purpose is to obtain an evaluation when the originating command or activity does not have the expertise to evaluate the suggestion locally or does not have the authority to implement it. The other purpose is to seek broader application of the suggestion (i.e., throughout SPAWARSYSCOM, within the Navy, or within DoD), after the suggestion has already been adopted by the referring command or activity.

2. Controls and Evaluation

a. Suggestions received from other commands/activities will be processed as action correspondence. All incoming mail regarding suggestions will be assigned a correspondence control number by the Administrative Services Branch, Code 09D, and will be routed to Code 00A-HR, Employee Relations Program Manager, for action.

b. Within ten days of receipt of the suggestion, Code 00A-HR will:

(1) Establish a control record card.

(2) Provide the command/activity an acknowledgement of receipt.

(3) Enter the suggestion into the tickler file for follow-up.

(4) Forward the original suggestion, with the evaluation form (NAVSOP 5305/5) and supplemental guides to the evaluator via the point of contact for suggestions within the organization.

c. The evaluator will be a recognized subject matter specialist for the particular suggestion. The approving official will be an official who has authority to initiate adoption or deny adoption based on knowledge of earlier adoption of a similar suggestion.

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d. The evaluator will review the suggestion, complete the evaluation form, make appropriate comments on the form, and return it to Code 00A-HR within 20 workdays after receipt. If additional information is required, the evaluator may contact the referring command/activity. If it is necessary that the suggestion be routed to another code for comment or coordination, which prevents completion of the evaluation within the 20 workday's limit, Code 00A-HR will be informed of the delay. Any correspondence or other information developed by the evaluator becomes part of the suggestion file.

e. Action to refer a suggestion, for evaluation or approval, to a field activity, laboratory, contractor or other command will be taken by the assigned evaluator. When this action is taken, Code 00A-HR will be provided a copy of the transmitting correspondence, which shows the suggestion number, name of the suggester, and the referring command/activity. An estimated completion date for the evaluation will also be provided to Code 00A-HR.

f. When the suggestion is not recommended for adoption, or is not to be accorded broad application, the evaluator will provide specific reasons for rejection on the evaluation form, NAVSO 5305/5. The reasons for non-adoption should be sufficiently definitive so they may be quoted in the response to the suggester without additional comments. The evaluation and complete suggestion file will be returned to Code 00A-HR, who will notify the originating activity, in writing, that the suggestion has not been adopted.

g. When the suggestion is recommended for adoption or extended application, the evaluation form, NAVSO 5305/5, will show the plan for implementation, and will provide specific information on the benefits to be derived from use of the suggestion. Pertinent documents, such as an implementing directive should be included in the suggestion file. The entire suggestion file, with evaluation, will be returned to Code 00A-HR.

h. SPAWAR 00A-HR is responsible for taking necessary action and preparing closing correspondence, based upon the written evaluation, to finalize the suggestion case. If an award is to be paid by SPAWAR, the paperwork to effect payment will be initiated by Code 00A-HR. Based upon the written evaluation, Code 00A-HR will make an award recommendation and forward to

00A/00 for approval. Arrangements for Commander, SPAWAR or another appropriate official in the chain of command to present individual monetary awards of \$7,500 or more with appropriate ceremony, may be requested by the originating activity via Code 00A-HR.

3. Follow-up. To ensure timely completion of all suggestion evaluations, the Deputy Commander, Assistant Commanders, Program Directors, Heads of Directorate and Staff Offices, and 00A-HR are responsible for establishing internal controls and taking follow-up action, in accordance with paragraph 3 of enclosure (1).

PROCEDURES FOR PROCESSING COMMENTS/QUESTIONS
VIA THE FEEDBACK FORUM

1. Submission. On many occasions employees need a forum for communications that are not considered official beneficial suggestions nor fraud, waste and abuse complaints. As a result, an electronic suggestion box is established on the SKC, Human Resources/Training, Feedback Forum (FF) page for employees to make comments/ask questions, on a wide range of topics such as: security, facilities, personnel, performance appraisals, bulletin boards, dress codes, overtime, candy machines, travel, parking, phones, etc. All comments will be responded to and posted on the FF page by individuals that have the knowledge and authority to respond in their area of expertise. Employees are encouraged to utilize the FF page for comments/questions. Fraud, waste and abuse will continue to be reported on the Inspector General Hot Line.

2. Process. The primary process for submitting comments/questions will be on the SKC under the FF. Easy instructions enable one to quickly use the Feedback Forum.

a. Employees should use the format page to post comments/questions. If they choose, employees may remain anonymous and still have the assurance that their comments will be responded to and published on the FF page. Select the category in which your comments/questions will go, e.g. security for security questions, personnel for personnel questions, facilities for a facilities question, etc.

b. The FF page will be frequently monitored. All comments/questions will be responded to and posted on the FF page by a subject matter expert with extensive knowledge of their respective areas. The subject matter expert should post the response within ten days of receipt.

c. If a comment results in savings, tangible or intangible, it will be forwarded by the subject matter expert to the Incentive Awards Administer (IAA), Code 00A-HR, for processing as an official beneficial suggestion. The IAA will contact the employee and assist the employee in converting the comment to a formal suggestion.

SCALE OF AWARD AMOUNTS BASED ON
TANGIBLE BENEFITS

<u>BENEFITS</u>	<u>AWARD</u>
<u>Estimated First Year Benefits</u>	<u>Amount of Award to Employee</u>
Up to \$10,000 in benefits	10% of benefits
Between \$10,000 and \$100,000 in benefits	\$1,000 plus 3% to 10% of benefits over \$10,000
More than \$100,000 in benefits	\$3,700 to \$10,000 for the first \$100,000 in benefits, plus 0.5% to 1.0% of benefits above \$100,000 up to \$25,000, with the approval of the Office of Personnel Management via the Office of the Secretary of Defense. Presidential approval is Required for all awards of more than \$25,000.

SCALE OF AWARD AMOUNTS BASED ON
INTANGIBLE BENEFITS

EXTENT OF APPLICATION				
VALUE OF BENEFIT	LIMITED Affects functions, mission, or personnel of one facility, installation, regional area, or an organizational element of headquarters. Affects small area of science or technology.	EXTENDED Affects functions, mission, or personnel of an entire regional area, command, or bureau. Affects an important area of science or technology.	BROAD Affects functions, mission, or personnel of several regional areas or commands, or an entire department or agency. Affects an extensive area of science or technology.	GENERAL Affects functions, mission, or personnel of more than one department or agency, or is in the public interest throughout the Nation and beyond.
MODERATE Change or modification of an operating principle or procedure with limited use or impact.	\$25 - \$500	\$501 - \$750	\$751 - \$1,000	\$1,001 - \$1,500
SUBSTANTIAL Substantial change or modification of procedures. An important improvement to the value of a product, activity, program, or service to the public	\$501-\$750	\$751-\$1,000	\$1,000-\$1,500	\$1,501-\$3,150
HIGH Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.	\$751-\$1,000	\$1,001-\$1,500	\$1,501-\$3,150	\$3,151-\$6,300
EXCEPTIONAL Initiation of a new principal or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public.	\$1,001-\$1,500	\$1,501-\$3,150	\$3,151-\$6,300	\$6,301-\$10,000

PROCEDURES FOR PROCESSING INVENTION INCENTIVE AWARDS

1. Intent of Awards. Recognizing and rewarding employees for inventive contributions design invention awards to encourage creative thinking and to promote the prompt disclosure of inventions.

2. Participation Eligibility. Military and civilian personnel are eligible to receive awards for inventions.

3. Processing

a. Inventor

(1) Any idea, discovery, suggestion, proposal, or solution to a problem involving a process, machine, manufacture, composition of matter, or improvement thereof, which may have possibilities of patenting in the interest of the Government, will be reported to the Office of Patent Counsel. All inventions should be reported promptly. If the invention has been in public use or on sale or described in a publication, the Patent Counsel should be notified immediately since a patent publication on the invention must be filed in the United States Patent Office within one year of such events; otherwise the inventor is barred by statute from obtaining a patent on his invention.

(2) Invention disclosures will be submitted to the Patent Counsel in triplicate on NAVSO 5870/35, Disclosure of Invention.

b. Office of Patent Counsel, SPAWAR 00C:

(1) Invention disclosures will be reviewed by the Patent Counsel and given a Navy-wide technological evaluation as to extent of application and extent of production or use and savings. Those inventions which are determined to be of sufficient value to the Government to warrant patent protection and which appear from an analysis of the prior technology to contain patentable subject matter will be approved for the preparation, filing, and prosecution of a patent application before the U.S. Patent and Trademark Office. Other inventions of sufficient value to the Government for advancing the state of the art will be approved for publication.

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(2) The Office of Patent Counsel will notify SPAWAR 00A-HR of:

(a) Any invention that is not approved for filing of a patent application (inactivated invention disclosures).

(b) Any invention that has been approved for publication.

(c) Any invention that has been filed as a patent application in the U.S. Patent and Trademark Office (patent applications).

(d) Patents which have issued (or notices of allow ability where issuance of patents will be deferred because of security restrictions).

(e) Patent applications in which prosecution has been abandoned.

c. SPAWAR 00A-HR will take the following actions:

(1) For inactivated invention disclosures, route the invention for evaluation of benefits by the cognizant directorate/staff office or equivalent for beneficial suggestion award consideration.

(2) For publication awards:

(a) Prepare an "Action Report" for signature of the Deputy Commander to initiate an initial publication award of \$100 to the inventor (or \$200 divided equally among co-inventors).

(b) Route the publication draft to the appropriate directorate/staff office or equivalent one year after the invention is in use for evaluation of benefits for supplemental award consideration.

(3) For patent applications, prepare an "Action Report" for signature of the Deputy Commander to initiate action to grant an initial award of \$100 to the inventor (or \$100 each to co-inventors).

(4) For notice of patent issuance or notice of allow

ability:

(a) Prepare an "Action Report" for signature of the Deputy Commander to initiate action to grant an additional award of \$300 to the inventor (or \$150 to each co-inventor).

(b) Route the invention to the appropriate directorate/staff office or equivalent one year after the invention is in use for evaluation of benefits for supplemental award consideration.

(5) For abandoned patent applications, route the invention to the appropriate Directorate/staff office or equivalent one year after the invention is in use for evaluation of benefits for supplemental award consideration.

d. SPAWAR Directorate/Staff Office or equivalent:

(1) The directorate/staff office or equivalent, or designee, will evaluate each invention one year after the invention is in use and, if appropriate, recommend a supplemental award. Such award will be computed as set forth in paragraph 5. and will be granted in addition to the "initial" and "additional" awards previously granted for the invention.

(2) No supplemental award may be granted if the device, system, or process hasnot been built or put to practical use or is of no benefit to the Navy.

(3) The directorate/staff office or equivalent will forward the evaluation to Code 00A-HR for review. Code 00A-HR will forward the evaluation to the Deputy Commander for approval.

e. SPAWAR Deputy Commander will review:

(1) And approve supplemental award recommendations where the total amount of cash for the award is \$5,000 or less;

(2) And recommend approval by the Chief of Naval Material (CNM) for awards totaling more than \$5,000; and

(3) Contested decisions and controversial cases.

4. Effect of Beneficial Suggestion Award on Inventor's Award. Contributors are ineligible for an invention cash award in those cases where a cash award has already been granted for the invention as a beneficial suggestion. However, in those cases where the prior beneficial suggestion award is less than the applicable invention award, only the difference may be awarded.

5. Supplemental Awards Scale for Inventions. When an invention has been in operation for one full year, exclusive of trial periods, experimentation or other periods of deferred implementation, it will be evaluated according to the following scale. The amounts shown are in addition to cash previously granted for publication; patent application, patent issuance, and abandoned patent application.

a. The invention has been reduced to practice (that is, the device or system has been built and proved to perform as stipulated in the patent) and represents:

(1) A new principle or major procedure which affects an important area of science or technology, and is in use at one or two Navy activities - \$600 or,

(2) A complete revision of a basic principle or procedure which affects a broad area of science or technology and is in use at several Navy activities - \$600 or,

(3) A substantial change or modification of an operating principle or procedure which is in use throughout a major Navy command - \$600 or,

(4) A limited change or modification of an operating principle or procedure which is in use throughout several major Navy commands or is in the public interest throughout the Nation or beyond - \$600.

b. The invention is in production and represents:

(1) A new principle or major procedure that affects an important area of science or technology, and is in use at several Navy activities - \$1,200 or,

(2) A complete revision of a basic principle or, procedure which affects a broad area of science or technology and is in use throughout a major command of the Navy - \$1,200 or,

(3) A substantial change or modification of an operating principle or procedure which is in use throughout several major Navy commands or is in the public interest throughout the Nation or beyond - \$1,200.

c. The invention is in large production and represents:

(1) Initiation of new principle or major procedure, affects a broad area of science or technology, and is in use throughout a major command of the Navy, or

(2) A complete revision of a basic principle or procedure, or initiation of a new principle or major procedure, which is in use throughout several major Navy commands or is in the public interest throughout the Nation or beyond. Inventions such as these warrant recognition greater than \$1,200. The Incentive Awards Review Board will review nominations for this level award. The Incentive Awards Review Board will determine the appropriate award amount after recommending approval of the nomination.